

## Message Text

LIMITED OFFICIAL USE

PAGE 01 LA PAZ 01887 171931Z

67

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 IGA-01 /048 W

----- 090845

R 171853Z MAR 75

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 6000

LIMITED OFFICIAL USE LA PAZ 1887

E.O. 11652: N/A

TAGS: EFIN, BEXP

SUBJECT: YPFB REFINERY EXPANSION FINANCING

REF: LA PAZ 1629

SUMMARY. NEGOTIATIONS FOR US\$35 MILLION LOAN FROM BANK CONSORTIUM FOR YPFB REFINERY EXPANSION APPEAR HUNG-UP BY MEMBER BANK DUE TO REPAYMENT PROBLEM IT EXPERIENCING ON LOAN TO ARMED FORCES NATIONAL DEVELOPMENT CORP. (COFADENA). FIRST NATIONAL BANK OF CHICAGO APPARENTLY HAS \$US 1 MILLION OUTSTANDING LOAN TO COFADENA OF WHICH BETWEEN US\$70,000 TO US\$200,000 IN ARREARS. END OF SUMMARY.

1. YPFB SOURCE INDICATES THAT NEGOTIATIONS FOR US \$35 MILLION LOAN TO CONSTRUCT OIL REFINERIES BEING DELAYED DUE TO FIRST NATIONAL BANK OF CHICAGO ARREARAGE PROBLEM WITH COFANDENA. BANK OF AMERICA CONTINUES TO PROCESS YPFB LOAN CONTRACT AS LOAN FULLY SUBSCRIBED, BUT CANNOT SIGN IT UNTIL FNB OF CHICAGO REMOVES ITS OBJECTION OR WITHDRAWS FROM CONSORTIUM (LATTER, IN VIEW OF B OF A MANAGER, IS A REAL POSSIBILITY). FNB OF CHICAGO APPEARS TO BE LIGHT SUBSCRIBER IN YPFB LOAN.

2. COMMENT: THE YPFB SOURCE INFORMATION CONFIRMED BY BANK OF AMERICA REP (PORTECT) IN LA PAZ ON US\$35 MILLION LOAN. IN LIGHT OF ABOVE, THE MISSION SUGGESTS THAT COMPANIES SEEK AS MUCH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LA PAZ 01887 171931Z

FINANCIAL INFORMATION AS POSSIBLE PRIOR TO ENTERING INTO

CONTRACTURAL RELATIONSHIP WITH COFADENA.  
STEDMAN

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** REFINERIES, BANK LOANS, NEGOTIATIONS, DEBT REPAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LAPAZ01887  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750093-0317  
**From:** LA PAZ  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750345/aaaabnzd.tel  
**Line Count:** 63  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 LA PAZ 1629  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 03 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <03 SEP 2003 by ShawDG>; APPROVED <04 SEP 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** YPFB REFINERY EXPANSION FINANCING  
**TAGS:** EFIN, BEXP, BL, US, YPBF, ARMED FORCES NATIONAL DEVELOP CORP, COFADENA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006